

COUNTRY SUPPLEMENT:
EGYPT



PETRONAS

PETRONAS CODE OF CONDUCT AND BUSINESS ETHICS

The PETRONAS Code of Conduct and Business Ethics Country Supplement: Egypt is a specific reference for use in Egypt. It does not describe all applicable laws or PETRONAS policies, or give full details on any particular law or policy. It does not constitute legal advice. It does not constitute or create a contract of employment. PETRONAS reserves the right to modify, revise, cancel or waive any policy, procedure or condition without notice and without revision of the Code. Moreover, the provisions of the Code may be modified by PETRONAS to adapt them to local laws and conditions.

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PART I: VARIATIONS TO PETRONAS CODE OF CONDUCT AND BUSINESS ETHICS

The policies set out under Country Supplement (as the same is amended and varied from time to time) shall apply to and form part of this Country Supplement as though set out in full herein, mutatis mutandis save in respect of the following sections which are added and varied for the purpose of this Country Supplement, as follows:

1. POLITICAL ACTIVITIES

1.1.

Section 29.1 of Part IIG: Conduct Contrary to Duty To Serve Diligently shall be deleted and replaced with the following:

"PETRONAS recognises that employees in their capacity as citizens may take part in the election and selection of the Municipal or National Councils. While PETRONAS does not wish to discourage employees from doing so, employees are required to use their off duty time or annual leave entitlement, subject to prior approval of PETRONAS, for such matters. In the event an employee is appointed

an office holder at the Municipal or National level, the employee is to notify PETRONAS of such appointment."

1.2.

Section 29.2 of Part II G: Conduct Contrary to Duty To Serve Diligently shall be deleted and replaced with the following:

"Notwithstanding the notification under Section 29.1, in order not to compromise the interests of PETRONAS, employee who is appointed an office holder at Municipal or National level is required to resign from PETRONAS, pursuant to the applicable law."

PART II: CONDUCT TENDING TO JEOPARDISE DUTY OF GOOD FAITH AND FIDELITY

1. SERIOUS PECUNIARY INDEBTEDNESS

1.1.

For the purpose of this Section, the term “serious pecuniary indebtedness” means the state of an employee’s indebtedness which, having regard to the amount of debt incurred by him/her has actually caused financial hardship to him/her.

An employee will be deemed to be in serious pecuniary indebtedness where:-

- a) he/she is a judgment debtor, for as long as the judgment sum remains unsettled; or
- b) he/she is a bankrupt or an insolvent wage earner, for as long as he/she remains as a bankrupt or for as long as any judgment sum against him/her in favour of the party appointed by the authority remains unsatisfied, as the case may be.

1.2.

Serious pecuniary indebtedness from whatever cause will be regarded as necessarily impairing the efficiency and effectiveness of an employee.

1.3.

An employee will avoid habitual indebtedness unless he/she proves that such indebtedness or insolvency is the result of circumstances beyond his/her control and does not result from extravagances or dissipation.

1.4.

An employee will be required to disclose the full extent of his/her serious pecuniary indebtedness to PETRONAS at the earliest opportunity when such indebtedness is known to him/her.

1.5.

An employee who obtains an annulment of his/her bankruptcy may be treated as having fully restored his/her credit standing.

2. BORROWING MONEY

2.1.

You may borrow from banks and/ or other entities licensed under the Egyptian Central Bank or incur debt through acquiring goods by means of hire purchase agreements or other arrangements, provided that:

- a) such banks and /or other entities from which you borrow are not directly or indirectly subject to your official authority;
- b) such borrowings do not lead to public scandal or be subject to construal that you have abused your position for our private advantage; or
- c) the aggregate of your debts does not or is not likely to cause you serious pecuniary indebtedness as defined under Section 1.

2.2.

You may not borrow from any other unlicensed person and/or entities engaged in the business of money lending.

2.3.

You must comply with the limitations on borrowing set out in the Code.

3. LIVING BEYOND OFFICIAL EMOLUMENTS AND LEGITIMATE PRIVATE MEANS

3.1.

Where in the reasonable opinion of PETRONAS an employee is or appears to be:-

- a) maintaining a standard of living which is beyond his/her official emoluments and other legitimate private means, if any; or
- b) in control of or in possession of pecuniary resources or property, movable or immovable, the value of which is disproportionate to, or which could not reasonably be expected to have been acquired by the employee with his/her emoluments and any legitimate private means, subject to the requirements of applicable law, PETRONAS may call upon the employee to explain in writing how he/she is able to maintain the said standard of living or how he/she acquired his/her pecuniary resources or property and also may be required to make declaration of his/her assets which may include assets belonging to his/her family/ household. Such declarations

as aforesaid should be made to your Human Resource Department and shall be kept confidential.

3.2.

Failure to make the asset declaration as required under Section 3.1 is viewed by PETRONAS as a lack of commitment on the part of the employee to uphold PETRONAS' policy on maintaining the highest standard of integrity, openness and transparency.

3.3.

For the purpose of this Section, "assets" includes property of any description, whether movable or immovable, as may be prescribed by PETRONAS from time-to-time. In respect of immovable property, assets include:-

- i. land, including land occupied under temporary occupation licence;
- ii. all types of residence such as houses, flats, apartments and condominiums; and
- iii. building, including a shop or portion of a shop, office space or stall.

In respect of movable property, assets include:-

- i. any form of cash wherever deposited or retained;
- ii. shares, stocks, debentures, bonds or other securities;
- iii. any form of trade, business or commercial licence permits; and
- iv. any other movable property, including all types of motor vehicles, jewellery, club memberships, household furniture and sports equipment.

PART III: INFORMATION SECURITY

You must comply with the PETRONAS Information Security Policy in effect from time-to-time. For further queries you may liaise with Human Resource Department.

PART IV: WORKPLACE CULTURE AND ENVIRONMENT

1. ABSENCE WITHOUT LEAVE OR WITHOUT REASONABLE CAUSE

1.1.

An employee who is absent will, at the earliest opportunity, inform the officer of PETRONAS to whom he/she reports of his/her absence and the cause for his/her absence.

1.2.

Where the absence without leave is in violation with the applicable law, the employee shall be deemed to have breached his/her contract of service with PETRONAS.

1.3.

Where an employee is absent without reasonable excuse is for more than twenty (20) working days or more than ten (10) consecutive working days per year, provided that the employee is first warned in writing after ten (10) days of absence in the first case and after five (5) days of absence in the latter case, the said employee is deemed to have broken his/her contract of service and in such circumstances PETRONAS will have the right to terminate his/her service.

In addition, PETRONAS will be entitled to recover from the said employee all sums due from the employee to PETRONAS.

2. DRESS CODE

All employees should be neatly, appropriately and decently attired during office working hours. Provocative and improper attire is not allowed.

2.1.

Male Employees

- a) All male employees must wear long sleeved shirts with the exception of on Smart Casual Day, when short sleeved shirts are allowed. Shirts must be tucked in. Smart Casual Day is applicable on the day as identified by PETRONAS.
- b) Male executives are no longer be required to wear neck ties to work except when required to do so for official business meeting and/or functions.

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- c) 'Baju Melayu' attire, complete with 'samping' and 'songkok' is allowed on the day as identified by PETRONAS.
 - d) Casual printed shirts, T-shirts, sweatpants, jeans, exercise pants, track bottom, all types of shorts, and any spandex or form fitting pants, such as cycling shorts, are not allowed.
 - e) Footwear must be appropriate and suitable. Slippers, flat sandals/ slip-ons, loafers, thongs, flip-flops, sport shoes, athletic shoes, sneakers, rubber boots or clogs are not allowed. Exemption is given for those with medical reasons.

2.2.

Female Employees

- a) Female employees will wear attire which is appropriate and suitable for an office working environment. The length of skirts must not be above the knee.
- b) Female employees are allowed to wear office-appropriate pant suits. Jeans and shorts are not allowed.
- c) Footwear must be appropriate and suitable. Slippers, flat sandals

and sport shoes are not allowed. Exemption to wear flat sandals is given to pregnant employees and for those with medical reasons.

2.3.

Uniformed Employees

All uniformed employees must wear their designated uniforms at all times.

2.4.

Other Forms of Attire

Attire, other than those specified above, including the specified types of shoes, may be worn during office hours if it is a requirement of the job and said attire is approved by your Head of Department.

2.5.

Cross-dressing

Cross-dressing is not allowed.

2.6.

Dress Code for Official Functions

Employees must be appropriately attired in accordance with the dress requirements for a particular function. In the absence of any specific requirement, the employee must follow the PETRONAS Dress Code.

2.7.

Hair for Male Employees

Hair should be neat. The length should be above the collar.

2.8.

For the Purpose of this Section:

“Cross-dressing” means when a male employee dresses or makes himself up as a female or when a female employee dresses or makes herself up as a male.

“Neat and appropriate attire” means decent, suitable, smart and professional attire.

“Provocative or Improper attire” means inappropriate and unsuitable office attire.

This includes transparent or tight dresses, body hugging shirts/ blouses/ knitted blouses, low cut collar/ necklines, bareback dresses, tight skirts/slacks/pants, high slit skirts/ sarongs that reveal the thighs and short skirts.

PART V: DISCIPLINARY PROCESS AND SANCTIONS

1. DISCIPLINARY PROCESS

1.1.

Where the circumstances warrant, PETRONAS may suspend an employee on full or half pay pending the investigation and/or inquiry into alleged acts of misconduct committed by the employee subject to applicable law.

1.2.

If the investigations reveal concrete and cogent evidence in support of the alleged misconduct, PETRONAS may institute disciplinary action against the said employee.

2. DISCIPLINARY PUNISHMENTS

2.1

The Punishing Authority may after due inquiry impose any or a combination of the following sanctions/ punishments against the employee or any other punishment as provided for under the Egyptian Labour Law No. 12 for Year 2003:

- i. written warning;
- ii. salary deduction;
- iii. suspension with half pay for a period to be determined by the Punishing Authority;
- iv. postponement of the due date of entitlement to the annual increment for the period not exceeding three (3) months;
- v. deprivation of half of the raise or part thereof;
- vi. postponement of the promotion for period not exceeding one (1) year;
- vii. reduction in salary equivalent to one (1) annual increment;
- viii. reduction of job grade to the one grade lower without affecting the employee's salary;
- ix. dismissal according to the provisions of the labor law.

3. PUNISHING AUTHORITY

For the purpose of this Part V, **"Punishing Authority"** shall refer to the officer of PETRONAS who has been given the authority to mete out sanction/punishment against an employee as provided by the Human Resource Management Limits of Authority.

4. APPEAL PROCEDURE

4.1.

An employee who is aggrieved by the decision of a disciplinary action has the right to appeal in writing within thirty (30) days from the date of service or posting of the letter communicating the decision of the Punishing Authority.

4.2.

The Appeal Authority is to consider the grounds of appeal set out in the letter of appeal and is required to conclude whether to dismiss the appeal or to allow the appeal by either:

- a) reversing the finding of guilt; or
- b) reducing the sanction/punishment.

4.3.

The Appeal Authority shall consider the appeal on the basis of the written submissions by the aggrieved employee and also after considering the report of the Domestic Inquiry and the grounds for the decision as made by the panel of the Domestic Inquiry.

4.4.

For the purpose of this Section, **"Appeal Authority"** shall refer to the officer of PETRONAS who has been given the authority to consider and decide on appeal.

PART VI: CONFLICTS

In the event that any of the policies in this Country Supplement and the Code shall be inconsistent, ambiguous and contradict with one another, the policies of this Country Supplement shall prevail.

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